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Summary record of the 28th meeting
Held at Headquarters, New York, on Wednesday, 27 November 2002, at 2.30 p.m.

Chairman: Mr. Sharma ..... (Nepal)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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The meeting was called to order at 2.35 p.m.

Agenda item 112: Programme budget for the biennium 2002-2003 (*continued*)

United Nations Institute for Training and Research (UNITAR) (continued) (A/57/7/Add.15, A/57/479)

1. **Mr. Pulid León** (Venezuela), speaking on behalf of the Group of 77 and China, expressed appreciation to the Director of the Programme Planning and Budget Division for his introduction of the report of the Secretary-General on the United Nations Institute for Training and Research (UNITAR) (A/57/479) and to the Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for his introduction of the related report of the Advisory Committee (A/57/7/Add.15) He pointed out, however, that their late publication had not allowed time for a careful analysis of the issues which they covered. It was also unfortunate that the Secretariat had chosen to submit the reports simultaneously to the Second Committee and the Fifth Committee, thus creating confusion. He asked why that course of action had been taken.

2. He commended the work of UNITAR which would benefit the developing countries. The Institute had had continued financial difficulties, stemming mainly from a decline in contributions from developed countries, despite the considerable advantage those countries drew from it, and from the high cost of rent and maintenance. That had led the General Assembly, in resolution 56/208, to ask the Secretary-General to clarify why UNITAR did not benefit from rental rates and maintenance costs similar to those enjoyed by other organizations affiliated with the Organization. In his report, the Secretary-General explained the privileges enjoyed by the United Nations Institute for Disarmament Research (UNIDIR) and the United Nations Research Institute for Social Development (UNRISD) from reduced rental and maintenance costs. The Advisory Committee pointed out that, although UNITAR had been able to meet its operating costs until 30 September 2002, it had accumulated a debt of $310,974 for rent and maintenance costs alone.

3. The Group of 77 and China attached great importance to the continued functioning of UNITAR. It hoped that the Institute would be provided with office premises free of rent and maintenance charges, and that the recommendation in paragraph 25 of the report of the Secretary-General (A/57/479) would be implemented.

4. **Mr. Al-Malki** (Bahrain) said that his delegation supported the views expressed by the representative of Venezuela on behalf of the Group of 77 and China. Research and training were vital; learning from past experience could provide a solid basis for economic and social progress. For that reason, the establishment of UNITAR had been an important step in helping to build capacity in the interests of promoting peace and security and encouraging social and economic development. The demand for UNITAR training courses for diplomatic staff was proof of its value; the Institute's work was particularly necessary to help developing countries, which could not afford to provide training in economic, social, international trade and other matters which the United Nations regularly discussed.

5. His delegation approved the recommendations in the report of the Secretary-General, including the recommendation concerning the possibility of providing the Institute with accommodation on a rent- and maintenance-free basis, and it looked forward to efforts to settle the Institute's outstanding debt or to reduce it by means of a resolution of the General Assembly. In the future, UNITAR should be treated in the same way as other organizations affiliated with the United Nations. It deserved the continued support of the international community.

6. **Ms. Attwooll** (United States of America) said that the members of the Committee had shown their appreciation of UNITAR by their comments at the current and previous meetings. New delegates found the training it provided invaluable. The report of the Secretary-General on the Institute was welcome. She noted that the annexes to the report showed UNITAR to be in a relatively good financial situation at a time when other bodies were struggling to maintain the level of their voluntary contributions. As a result, she was concerned that it should be unable to pay rent, and recalled that its statute stipulated that its expenses should be met from voluntary contributions, donations and grants rather than from the regular budget of the United Nations. Accordingly, she wished to know on what basis UNITAR had withheld rent payments, whether the Institute's Board of Trustees had approved that action and, in the light of the apparently healthy

financial situation of the Institute, when the United Nations could expect its rent arrears to be paid. She also asked what functions of the United Nations had been affected by the failure of UNITAR to make payments and requested a list of other bodies that were charged rent by the United Nations. If States Members of the United Nations failed to pay assessments, they attracted penalties, such as being deprived of voting rights. She asked for details of the Organization's policy regarding non-payment of other financial obligations, and of how that policy would be applied to UNITAR.

7. **Mr. Christiansen** (Denmark), speaking on behalf of the European Union, said that he would appreciate an answer to the question he had asked at the Committee's previous meeting, namely which Committee, the Second or the Fifth, was dealing with the question of UNITAR. The European Union fully agreed with the statement in paragraph 2 of the report of the Secretary-General (A/57/479) that the requests in resolution 56/208 related mainly to administrative and financial questions connected with UNITAR and should therefore be discussed by the Fifth Committee. Despite that conclusion, the issue had been referred to the Second and Fifth Committees at the same time, causing a duplication of work. He noted that similar procedural conflicts had arisen before.

8. The European Union shared the concern expressed by the General Assembly in section VI, paragraph 3, of resolution 45/248 B at the tendency of its substantive Committees and other intergovernmental bodies to involve themselves in administrative and budgetary matters. He urged the Chairman to clarify the situation, so that the members of the Committee would have a clear framework in which to conduct their work. If the matter was still before the Second and Fifth Committees simultaneously, the Chairman should consult the President of the General Assembly and inform both Committees of the outcome of that consultation.

9. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that the report of the Secretary-General had been issued in response to General Assembly resolution 56/208, which had begun life in the Second Committee. The Second Committee had been allocated agenda item 90 (b), which covered the substantive work of UNITAR under training and research, and had submitted a resolution calling for rent-payment relief for the Institute (A/C.2/57/L.35). Under the rules of procedure of the General Assembly, that resolution must be accompanied by details of potential programme budget implications, which were duly set out in document A/C.2/57/L.50. It was therefore entirely possible that the General Assembly would receive two requests for rent relief for UNITAR, one from the Second Committee and one from the Fifth Committee. The Second Committee seemed to have failed to comply with section VI of General Assembly resolution 45/248 B, which referred to the responsibilities of the various Committees. The issue of payment of rent was clearly a financial matter unrelated to the substantive issues of research and training. It appeared that an over-zealous UNITAR "constituency" in the Second Committee had proposed the draft resolution.

10. Clearly, before the matter was considered by the General Assembly, one or other of the two Committees should halt its proposal. Perhaps the best course of action was for the Fifth Committee to inform the Second Committee that it was seized of the matter, so that the Second Committee could suspend its consideration of it pending discussion by the Fifth Committee.

11. **Mr. Pulido León** (Venezuela) said that the matter of UNITAR finances had been considered by the Second and Fifth Committees simultaneously because the Secretariat had submitted the report of the Secretary-General (A/57/479) to both Committees. If it was a matter of common knowledge that administrative and financial questions were discussed by the Fifth Committee, there was no reason for such issues to be referred to another Committee. The current problem was not an isolated incident. During the current session alone, issues which were logically part of the remit of the Fifth Committee had also been placed before the First Committee and the Third Committee. He asked who would request the Second Committee to drop its draft resolution. If the Second Committee had produced a draft resolution on the subject, it should give the Fifth Committee a mandate to discuss the financial issues in question. Clearly, the Secretariat needed to be more transparent in the submission of its reports.

12. **Mr. Chaudhry** (Pakistan) said that the benefits of UNITAR and the legitimacy of its request for greater resources were not in question; it was the procedural issue that needed clarification. The argument put forward by the Director of the Programme Planning and Budget Division was hard to follow and his

references to an over-zealous "constituency" in the Second Committee was misplaced. The issue had consistently been on the General Assembly's agenda. The problem was that a single report appeared to have been submitted to two Committees, which was, to say the least, a violation of the rules of procedure.

13. **Mr. Christiansen** (Denmark), speaking on behalf of the European Union, concurred: the confusion would lead to a regrettable duplication of work. At the same time, the substantive issue should not be forgotten in the midst of the procedural discussions. He therefore urged the Chairman to inform the Chairman of the Second Committee that the Fifth Committee was seized of the matter. It would then be possible to find a viable solution to the problems of UNITAR.

14. **Ms. Udo** (Nigeria), after endorsing the statement made on behalf of the Group of 77 and China, requested further clarification as to who represented the "constituency" of UNITAR. Her own guess was that the reference was to the main beneficiaries of the Institute's end product, namely the developed countries, including the United States of America.

15. **Mr. Tootoonchian** (Islamic Republic of Iran), also endorsed the statement made on behalf of the Group of 77 and China. No one questioned the importance of UNITAR in helping Member States, or the need to alleviate its financial difficulties. The best way to do so was through increased voluntary contributions, but the Institute should also benefit from free rent and maintenance, as other United Nations agencies did. Lastly, although the Second Committee was fully entitled to consider the issue, the prerogative of considering financial questions was the Fifth Committee's.

16. **Mr. Pulido León** (Venezuela), speaking on behalf of the Group of 77 and China, requested clarification on a substantive as well as a procedural aspect of the issue. He noted that document A/57/479, annexes I and II, revealed an extremely irregular pattern of contributions and other income. A comment on the situation by a representative of the Institute would be welcome. If its income fell below a certain level, the training that was its raison d'être would suffer.

17. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that, although financial data were always open to various interpretations, the Institute's reserves were sufficient for 6 to 12 months' expenditure, which could be considered a relatively healthy situation. The non-payment of rent was not a sign of the Institute's financial fragility: it was perceived by the United Nations and the Swiss Government as an unwillingness to pay. There had been no official explanation of the Institute's policy.

18. He confirmed that UNIDIR and UNRISD did not pay rent or maintenance, but organizations that did pay such costs included the Food and Agriculture Organization of the United Nations (FAO), the International Atomic Energy Agency (IAEA), the United Nations Compensation Commission, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO), the Federation of International Civil Servants' Associations (FICSA), the World Federation of United Nations Associations, the International Seabed Authority, the United Nations International Drug Control Programme, the United Nations Fund for International Partnerships (UNFIP) and the Office of the United Nations High Commissioner for Refugees (UNHCR). The whole list was available to delegations on request.

19. As for his reference to a UNITAR "constituency" in the Second Committee, he had simply meant that the sponsors of draft resolution A/C.2/57/L.35 were clearly the delegations most interested in the Institute's future. With regard to the questions about procedure, he still believed that only one Committee need consider the question of UNITAR. He was confident that, when the Second Committee learned that the Fifth Committee was dealing with the issue, it would willingly cede its responsibility.

20. **The Chairman** said that, although he doubted that the Second Committee would be keen to cede responsibility, he would, as suggested, talk to the Chairman of the Second Committee, not as part of a new process but building on the achievements of the past two years.

21. **Mr. Pulido León** (Venezuela), speaking on behalf of the Group of 77 and China, said that the Fifth Committee could reach no decision until the Second Committee had adopted its draft resolution.

22. **Mr. Christiansen** (Denmark), speaking on behalf of the European Union, urged the Chairman to schedule informal consultations within the Fifth Committee in order that the substantive issue of UNITAR should not suffer from the procedural confusion.

23. **The Chairman** said that he had just been informed that the Second Committee had cancelled its own informal consultations, pending the Fifth Committee's consideration of the issue.

24. **Mr. Chaudhry** (Pakistan) said that, according to his understanding, the Second Committee consultations had been suspended pending consultations between the Bureaux of the Second and Fifth Committees. In any case, the logical course of action was for the Fifth Committee to deal with the issue once the Second Committee had reached its decision.

25. **Ms. Udo** (Nigeria) requested that, in addition to a list of organizations that paid rental and maintenance costs, a comparative study should also be made of bodies that paid rent but benefited from the training that UNITAR provided free of charge.

Construction of additional office facilities at the Economic Commission for Latin America and the Caribbean, Santiago (A/57/7/Add.8 and A/57/467)

26. **Mr. Sach** (Director of the Programme Planning and Budget Division), introducing the report of the Secretary-General on construction of additional office facilities at the Economic Commission for Latin America and the Caribbean, Santiago (A/57/467), said that the General Assembly was requested to authorize the construction of three new modules as an extension to the North Building at the United Nations compound in Santiago for a total gross space capacity of 733 m^2. The additional office space was required to relocate staff currently occupying sub-standard offices which were unsafe and did not provide adequate working conditions. The construction costs, which would amount to $736,900, would be financed from the available balance in the construction-in-progress account, currently $1,041,200; no additional appropriations would be required. He noted that, in accordance with the recommended procedure, the construction proposal had been reviewed in detail by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) prior to the formulation of the report.

27. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of ACABQ (A/57/7/Add.8), said that the submission of the construction proposal to the Advisory Committee was in line with the procedures set out in General Assembly resolution 37/237. In that connection, he drew attention to the annex to the report. The Advisory Committee recommended that the General Assembly should authorize the construction of the three new modules, with an additional gross space of 733 m^2, as an extension to the North Building at the United Nations compound in Santiago. The Advisory Committee also recommended that the Assembly should authorize the funding of the total estimated cost of $736,900 from the available balance in the construction-in-progress account.

Cooperation between headquarters departments and regional commissions (continued) (A/C.5/57/L.15)

United Nations Fund for International Partnerships (continued) (A/C.5/57/L.16)

Inter-organizational security measures: framework for accountability for the United Nations field security management system (continued) (A/C.5/57/L.17)

Conversion into established posts of some temporary assistance posts financed under section 2 of the programme budget (continued) (A/C.5/57/L.19)

Cases in which incumbents of the posts are being paid at a level other than the one provided for the post (continued) (A/C.5/57/L.19)

Presentation of estimates of staff assessment (continued) (A/C.5/57/L.19)

Implementation of projects financed from the Development Account (continued) (A/C.5/57/L.20)

Experience in applying the revised administrative arrangements approved by the General Assembly for the International Trade Centre (United Nations Conference on Trade and Development/World Trade Organization) in its decision 53/411 B (continued) (A/C.5/57/L.21)

Plan to increase the regular budget component of the United Nations Office at Nairobi (continued) (A/C.5/57/L.23)

Proposed revisions to the Financial Regulations of the United Nations (continued) (A/C.5/57/L.24)

Comprehensive review of the post structure of the United Nations Secretariat (continued) (A/C.5/57/L.25)

Interim report on results-based budgeting for the biennium 2002-2003 (continued) (A/C.5/57/L.26)

Request for a subvention to the United Nations Institute for Disarmament Research resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 2003 (continued) (A/C.5/57/L.27)

Additional expenditures deriving from inflation and currency fluctuations (continued) (A/C.5/57/L.28)

28. **The Chairman** drew attention to draft decisions A/C.5/57/L.15, A/C.5/57/L.16, and A/C.5/57/L.17, draft decisions I, II and III in document A/C.5/57/L.19, draft decisions A/C.5/57/L.20 and A/C.5/57/L.21, draft resolution A/C.5/57/L.23, and draft decisions A/C.5/57/L.24, A/C.5/57/L.25, A/C.5/57/L.26, A/C.5/57/L.27 and A/C.5/57/L.28. He suggested that, in order to save time, the Committee should dispense with the introduction of the draft resolution and draft decisions, which were mostly of a procedural nature, and proceed immediately to take action on them.

29. **Ms. Udo** (Nigeria) said that her delegation was not ready to take action on draft decision A/C.5/57/L.27, since it wished to raise a number of questions concerning the draft decision in informal consultations.

30. **Ms. Silot Bravo** (Cuba) said that the Committee was being asked to take action on the draft resolution and draft decisions as a block. However, some of the texts had not been considered in informal consultations, and a number of them contained important issues that ought to be discussed separately. While her delegation would not object to the suggestion by the Chairman, she trusted that no precedent would be set.

31. **The Chairman** said he took it that the Committee wished to take action on the draft resolution and draft decisions, with the exception of draft decision A/C.5/57/L.27.

32. *It was so decided.*

33. *Draft decisions A/C.5/57/L.15, A/C.5/57/L.16 and A/C.5/57/L.17, draft decisions I, II and III in document A/C.5/57/L.19, draft decisions A/C.5/57/L.20 and A/C.5/57/L.21, draft resolution A/C.5/57/L.23, and draft decisions A/C.5/57/L.24, A/C.5/57/L.25, A/C.5/57/L.26 and A/C.5/57/L.28 were adopted.*

34. **Ms. Silot Bravo** (Cuba), speaking in explanation of her delegation's position on draft decision A/C.5/57/L.20, said that it had joined the consensus on the draft decision on the understanding that the measure requested in paragraph (b) would be without prejudice to the continued fulfilment of the commitment to fund the Development Account and that savings accrued would continue to be transferred to it. It also wished to reaffirm the relevant resolutions and decisions of the General Assembly.

Agenda item 111: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Procurement reform (continued) (A/C.5/57/L.22)

35. **Mr. Kendall** (Argentina) introduced draft resolution A/C.5/57/L.22.

36. *Draft resolution A/C.5/57/L.22 was adopted.*

Agenda item 147: Financing of the United Nations Mission in Bosnia and Herzegovina (*continued*) (A/C.5/57/L.18)

37. **The Chairman** drew attention to draft decision A/C.5/57/L.18. He recalled that, at its 20th meeting, the Committee had, at his suggestion, requested the Secretariat to prepare a draft decision on the proposed donation of assets to the Government of Bosnia and Herzegovina.

38. *Draft decision A/C.5/57/L.18 was adopted.*

The meeting rose at 4.05 p.m.